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June 17, 2002

02-1914

Federal Communications Commission  
Common Carrier Network Services  
P.O. Box 358145  
Pittsburgh, PA 15251-5145

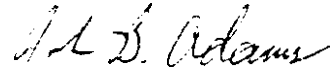
RE: Joint Petition for Approval of a Streamlined Transfer of Control

Dear Sir or Madam:

Please find enclosed for filing an original and five copies of the joint petition of Citizens Telecommunications Company of North Dakota and Polar Telecommunications, Inc. for approval of a streamlined transfer of control pursuant to Sections 63.03 and 63.01 of the Commission's rules. A related Form 159 and check for the amount of the required filing fee for this petition is also enclosed. Please date stamp and return to our courier the copy marked "Stamp and Return."

Please direct questions regarding this filing to the undersigned. Thank you for your assistance.

Sincerely,



John B. Adams, Esq.

Enclosures

CC: William Dever, FCC

READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING		<b>FEDERAL COMMUNICATIONS COMMISSION</b> <b>REMITTANCE ADVICE</b>		Approved by OMB 3060-0589 Page No <u>1</u> of <u>  </u>	
(1) LOCKBOX # 338145				SPECIAL USE	
				FCC USE ONLY	
<b>SECTION A - PAYER INFORMATION</b>					
(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) <b>Citizens Communicallons Company</b>				(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) <b>\$815.00</b>	
(4) STREET ADDRESS LINE NO. 1 <b>2060 Brighton-Henrietta TL Rd</b>					
(5) STREET ADDRESS LINE NO. 2 <div style="text-align: right; font-weight: bold; font-size: 1.2em;"> <b>FCC/MELLON      JUN 17 2002</b> </div>					
(6) CITY <b>Rochester</b>				(7) STATE <b>NY</b>	(8) ZIP CODE <b>14623</b>
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>716-777-5619</b>		(10) COUNTRY CODE (if not in U.S.A.)			
<b>FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED</b>					
(11) PAYER (FRN) <b>Not Applicable</b>		(12) PAYER (TIN) <b>06-0619596</b>			
IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)					
(13) APPLICANT NAME <b>Citizens Telecommunications Company of North Dakota</b>					
(14) STREET ADDRESS LINE NO. 1 <b>2378 Wilshire Boulevard</b>					
(15) STREET ADDRESS LINE NO. 2					
(16) CITY <b>Mound</b>				(17) STATE <b>MN</b>	(18) ZIP CODE <b>55364</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>952-491-5564</b>		(20) COUNTRY CODE (if not in U.S.A.)			
<b>FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED</b>					
(21) APPLICANT (FRN) <b>0004-3409-31</b>		(22) APPLICANT (TIN) <b>06-1557680</b>			
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE SEEDDED, USE CONTINUATION SHEET					
(23A) CALL SIGN/OTHER ID		(24A) PAYMENT TYPE CODE    (25A) QUANTITY			
(26A) FEE DUE FOR (PTC)		(27A) TOTAL FEE		FCC USE ONLY	
<b>\$815.00</b>		<b>\$815.00</b>			
(23B) CALL SIGN/OTHER ID					
(26B) FEE DUE FOR (PTC)		(27B) TOTAL FEE		FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2			
<b>SECTION D - CERTIFICATION</b>					
(30) CERTIFICATION STATEMENT I, <u>John B. Adams</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.					
SIGNATURE <u>John B. Adams</u>				DATE <u>06/17/02</u>	
<b>SECTION E - CREDITCARD PAYMENT INFORMATION</b>					
(31) <input type="checkbox"/> MASTERCARD		MASTERCARD-VISA ACCOUNT NUMBER		EXPIRATION DATE	
<input type="checkbox"/> VISA		I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s) authorization herein described.			
SIGNATURE _____				DATE _____	

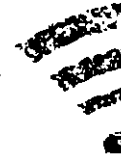


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Document	Your document	Date	Deductions	Gross amount
5100108942	REQ061402 REQ PCC 214 APPLICATION FOR CTC ND	06/14/2002	0.00	815.00
Sum total			0.00	815.00

**CITIZENS**  
communications



**CITIZENS**  
communications

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1201 MARKET STREET  
WILMINGTON, DE 19801

PAY EIGHT HUNDRED FIFTEEN USD

CHECK NO. 0000402579  
CHECK DATE 06/14/2002

PAY THIS AMOUNT  
\$ 815.00

TO FEDERAL COMMUNICATION COMMISSION  
THE 445 12TH ST SW  
ORDER WASHINGTON DC 20554  
OF

*RJY*

President and Chief Operating Officer

0000402579 031100267 6301490342 509

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, DC 20554

In the Matter of

**Citizens Telecommunications Company**  
of North Dakota

and

**Polar Telecommunications, Inc**

Petition for **Approval of a Streamlined**  
Transfer of Control Pursuant to  
Sections 63.03 and 63.04 of the  
Commission's **Rules**

WC 02-194

**JOINT PETITION FOR APPROVAL OF A STREAMLINED**  
**TRANSFER OF CONTROL**

Citizens Telecommunications Company of North **Dakota** ("Citizens-ND") and  
Polar Telecommunications, Inc. ("Polar.") (collectively, the "Petitioners"), by their attorneys,  
hereby **request** approval, pursuant to Sections 63.03 and 63.04 of the Commission's **Rules**, of the  
**sale**, as a streamlined transfer of control, of Citizens-ND's Pembina, North Dakota exchange to  
Polar.<sup>1</sup>

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<sup>1</sup> This application is being filed to ensure Citizens-ND's compliance with Section 214 of the Act and Section 63.03 of the Commission's rules. Polar expresses no opinion as to Citizens-ND's status vis-a-vis Section 214 of the Act. However, Polar believes that grant of the application would not confer fully subject status on Polar given the nature of the facilities involved, i.e., **local** facilities. See 47 U.S.C. § 221(b).

1. The name, address and telephone number of each applicant

Citizens Telecommunications Company of North Dakota  
2378 Wilshire Blvd. Mound, MN 55364  
Attention: Kevin Saville  
952-491-5564

Polar Telecommunications, Inc.  
818 4<sup>th</sup> Street  
Park River, ND 58270  
Attention: David Dunning  
701-284-4287

2. The government, state, or territory under the laws of which each corporate or partnership applicant is organized

Citizens-ND is a Delaware corporation.

Polar is a North Dakota corporation.

3. The name, title, post office address, and telephone number of the officer or contact person, such as legal counsel, to whom correspondence concerning the application is to be addressed

Citizens-ND:

John B. Adams  
Kraskin, Lesse & Cosson, LLP  
2120 L Street, N.W., Suite 520  
Washington, D.C. 20037  
Tel. - 202-296-8890  
Fax -- 202-296-8893

Polar:

Benjamin H. Dickens, Jr.  
Mary J. Sisak  
Blooston, Mordkofsky, Dickens.  
Duffy & Prendergast  
2120 L Street, N.W., Suite 300  
Washington, D.C. 20037  
Tel. - 202-659-0830  
Fax. -- 202- 828-5568

4. **The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant. and the percentage of equity owned by each of those entities (to the nearest one (1) percent)**

Citizens-ND is a wholly owned subsidiary of Citizens Communications Company, a Delaware corporation having its principal place of business at 3 High Ridge Park, Stamford, CT 06095. Citizens Communications Company is a publicly traded corporation in which no individual or entity owns an equity interest of ten percent or more

Polar is a wholly owned subsidiary of Polar Communications Mutual Aid Corporation d/b/a Polar Communications, a cooperative association operating under the laws of North Dakota. Polar Communications Mutual Aid Corporation d/b/a Polar Communications is a member owned association. No member owns an interest of ten percent or more in Polar Communications Mutual Aid Corporation d/b/a Polar Communications .

5. **Certification pursuant to 47 C.F.R. sections 1.2001 through 1.2003 that no party to this application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853**

Citizens-ND and Polar certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, that neither they, nor any of their affiliates, within the meaning of Section 3(1) of the Communications Act of 1934, as amended, are subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853.

6. **Description of the transaction**

A. **Background**

Citizens-ND is in the process of selling five of the eight exchanges it owns in North Dakota. Two of those exchanges, Gwinner and Lisbon, are being sold to Dickey Rural Access, Inc.; one exchange, Pembina, North Dakota, is being sold to Polar; and two exchanges, Wyndmere and Fairmount, North Dakota, are being sold to Red River Telecom, Inc. As

discussed in Section 12, below, these five exchanges are being sold because they can be operated more efficiently by other incumbent LECs already operating in close proximity. Upon consummation of the three transactions, Citizens-ND will continue to operate three exchanges in North Dakota -- Williston, Alexander and Watford City. Neither Citizens-ND nor any of its affiliates will provide competitive local exchange operations in any of the exchange areas being sold in this series of transactions.

**B. The transaction that is the subject of this application**

In this particular transaction, Citizens-ND is selling its Pembina, North Dakota exchange to Polar. This transaction includes all assets, except those specifically excluded by the Purchase and Sale Agreement between the parties, associated with this exchange. The transaction, “involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of corporate control.” *See* Section 63.03 (b) (1) (iii) of the Commission’s Rules. Upon consummation of this transaction, Polar will become an incumbent LEC in the Pembina, North Dakota exchange area

Polar is an incumbent LEC presently serving five exchanges with approximately 1,614 access lines within its North Dakota study area. Upon consummation of this transaction and with Commission approval, the Pembina exchange will become part of Polar’s existing study area. Polar’s parent company, Polar Communications Mutual Aid Corporation d/b/a Polar Communications, is an incumbent LEC with its own study area.

**7. Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area**

The Pembina exchange is located in the extreme northeastern corner of North Dakota, on the Canadian border. It serves a very rural, sparsely populated farming area. The Pembina

exchange serves approximately 635 access lines. The exchange serves portions of two counties, each of which has the following population as of the most recent census: Pembina County, with a population of **8,585** and Walsh County, with a population of 12,389. The major towns and their populations served by the exchange are Pembina City (Pembina County), with a population of 642 and Park River (Walsh County), with a population of 1,535.

Citizens-ND, an incumbent LEC, provides a full range of residential and business local exchange, switched and special access, custom calling, and information services in the exchange that is being sold to Polar. Polar will provide comparable services, as it is already doing in its present and proximate exchanges, when it takes ownership of the Pembina exchange area

**8. A statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment**

This transaction qualifies for presumptive streamline treatment because it “involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of control.” See Section 63.03 (b) (1) (iii) of the Commission’s Rules.

**9. Identification of all other Commission applications related to the same transaction.**

None.

**10. A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure**

Neither party is facing imminent business failure. Accordingly, no special consideration of this application on this ground is requested.



**11. Identification of any separately filed waiver requests being sought in conjunction with the transaction**

On April 5, 2002, Citizens-ND and Polar filed a joint petition seeking “study area waivers” pursuant to Section 61.41 (c) and (d) and Sections 69.3 (e) (1 1) and 69.605 (c) of the Commission’s Rules.

**12. A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets**

Citizens-ND acquired the North Dakota exchange that is the subject of this transaction from Qwest on October 30, 2000. The North Dakota acquisitions were part of a larger series of transactions in which the Citizens Communications Companies were acquiring rural local exchange operations from Qwest throughout the Western states. The North Dakota transaction involved small “islands” of exchanges in the State as part of a much larger series of transactions that would allow the Citizens Communications Companies to create cohesive and viable regional operations in the West. However, the larger series of transactions was ultimately aborted, thereby making it extremely difficult to achieve regionalized economies of scale with the five small North Dakota exchange areas that Citizens-North Dakota has contracted to sell

Insofar as the Pembina exchange is concerned, Polar and its affiliates are established, incumbent LECs already operating in adjacent exchange areas. Polar is geographically and operationally situated to operate this small exchange in a highly efficient manner as a natural extension of its existing operations. The Pembina exchange will become an integral part of the operations of an experienced “North Dakota” carrier. Accordingly, the public convenience and necessity will be served by a grant of this petition.

**Conclusion**

For the reasons stated herein, the parties request that the Commission accord this joint petition presumptive streamlined treatment status and, upon due considerations of the facts before it, issue an order approving the transaction.

Respectfully submitted,

CITIZENS TELECOMMUNICATIONS  
COMPANY OF NORTH DAKOTA

By *J. B. Adams*  
John B. Adams

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Its Attorney

RED RIVER TELECOM, INC.

By *J. B. Adams by permission for*  
Benjamin H. Dickens, Jr.  
Mary J. Sisak

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Duffy & Prendergast  
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Its Attorney

This 17th day of June, 2002